

**MINUTES OF THE SPECIAL CITY COMMISSION MEETING
SEPTEMBER 16, 2004**

The City of Leesburg Commission held a special meeting Thursday, September 16, 2004, in the Commission Chambers at City Hall. Mayor Knowles called the meeting to order at 5:05 p.m. with the following members present:

Commissioner John Christian
Commissioner Ben Perry
Commissioner Lewis Puckett
Mayor David Knowles

Commissioner Bob Lovell and City Manager Ron Stock were absent. Others present were Interim Deputy City Manager (IDCM) Lora Bailey, City Clerk (CC) Betty Richardson, City Attorney (CA) Fred Morrison, the news media, and others.

Commissioner Christian gave the invocation followed by the Pledge of Allegiance to the Flag.

ANNOUNCED THE PERCENTAGE INCREASE IN THE PROPOSED MILLAGE RATE OVER THE ROLLED BACK RATE

Finance Director (FD) Pfeilsticker announced the proposed millage rate of 4.500 mills for the Fiscal Year 2004-05 for the City of Leesburg, Florida, representing an increase of 0.232 mills or 5.436% over the rolled-back rate of 4.268 mills

DISCUSSED THE SPECIFIC REASONS FOR THE TAX INCREASE

FD Pfeilsticker advised the reason for the tax increase is personnel services and retirement.

REQUESTED COMMENTS FROM THE PUBLIC REGARDING THE TENTATIVE BUDGET

Mayor Knowles requested comments from the public regarding the tentative budget. There were none.

ADOPTED RESOLUTION 7188 TENTATIVELY ADOPTING THE MILLAGE RATE OF 4.500 MILLS PER \$1,000 TAXABLE VALUE FOR FISCAL YEAR 2004-05

Commissioner Perry introduced the resolution to be read by title only. CC Richardson read the resolution by title only, as follows:

A resolution of the City Commission of the City of Leesburg, Florida tentatively adopting 4.500 mills as the Fiscal Year 2004-05 millage rate for the City of Leesburg, Florida, representing an increase of 0.232 mills or 5.436% over the rolled-back rate of 4.268 mills.

Mayor Knowles requested comments. There were none.

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Commissioner Perry moved to adopt the resolution and Commissioner Puckett seconded the motion. The roll call vote was:

Commissioner Perry	Yea
Commissioner Puckett	Yea
Commissioner Christian	Yea
Mayor Knowles	Yea

Four yeas, no nays, the Commission adopted the resolution.

ADOPTED RESOLUTION 7189 TENTATIVELY ADOPTING THE FISCAL YEAR 2004-05 BUDGET

Commissioner Puckett introduced the resolution to be read by title only. CC Richardson read the resolution by title only, as follows:

A resolution of the City Commission of the City of Leesburg, Florida tentatively adopting the Fiscal Year 2004-05 budget for the City of Leesburg, Florida.

Mayor Knowles requested comments. There were none.

Commissioner Puckett moved to adopt the resolution and Commission Christian seconded the motion. The roll call vote was:

Commissioner Puckett	Yea
Commissioner Christian	Yea
Commissioner Perry	Nay
Mayor Knowles	Yea

Three yeas, one nay, the Commission adopted the resolution.

FIRST READING OF AN ORDINANCE ADOPTING THE FISCAL YEAR 2004-05 BUDGET

Commissioner Perry introduced the ordinance to be read by title only. CC Richardson read the ordinance by title only, as follows:

An ordinance of the City Commission of the City of Leesburg, Florida adopting the Fiscal Year 2004-05 budget for the City of Leesburg, Florida; and providing an effective date.

Mayor Knowles requested comments. There were none.

PUBLICLY ANNOUNCED THE PERCENTAGE INCREASE OF THE TENTATIVE MILLAGE RATE OVER THE ROLLED BACK RATE

FD Pfeilsticker announced the tentative adopted millage rate of 4.500 mills represents an increase of 0.232 mills or 5.436% over the rolled-back rate of 4.268 mills.

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ESTABLISHED AND PUBLICLY ANNOUNCED THE DATE, TIME, AND PLACE FOR THE PUBLIC HEARING TO FINALLY ADOPT THE MILLAGE RATE AND THE FISCAL YEAR 2004-05 BUDGET

Mayor Knowles announced the next Public Hearing on the millage rate and the Fiscal Year 2004-05 budget will be held September 27, 2004, at 5:30 p.m. in the Commission Chambers of City Hall.

ROLL CALL:

Commissioner Christian – asked Commissioner Perry why he voted no on adopting the tentative budget.

Commissioner Perry - requested and received acknowledgement that it is not his fault CM Stock is not at this meeting and he is not “blindsiding” CM Stock. He was accused of doing so at an earlier meeting when CM Stock was not present. Commissioner Perry said he sent CM Stock a letter in April expressing concern about the increase in the cost of general government, but CM Stock did not respond to his concerns. Over the last few years, the City has experienced double digit internal inflation primarily within general fund issues, i.e. City Commission, City Manager, and other budgets. The City has experienced inflation up 20% in some areas, but the population growth is less than 4% and the Consumer Price Index (CPI) is less than 3%. He said if he saw some moderation in spending on occasion, he would not be so concerned. He said his vote was to express his opinion regarding his concerns about the double digit increases in spending and his concerns not being addressed. He stated he will probably vote for the budget at second reading.

Commissioner Puckett – said he was at the City’s landfill to watch the debris burning, which was very interesting. He also said the cement plant in his district that blows a horn at 3:00 a.m. has agreed to try to work something out through flashing lights to let truckers know when their trailer is full.

Mayor Knowles – said the City of Leesburg is the envy of all of Florida. The City’s utilities are profitable, but costs are going up. The City could put millions in the bank and cut projects, but if we can afford to give the citizens the programs/buildings they need, then we should improve the quality of life in Leesburg as much as possible.

Mayor Knowles commended IDCM Bailey for her work during the emergencies. IDCM Bailey advised much of the debris from the hurricanes will be gone by Monday. She advised FEMA will reimburse the City for a significant amount of the cleanup costs.

Commissioner Perry said the City’s unrestricted reserves went from \$40M to \$30M in one year. Since that time they have gone down to \$4M due to the way the bonds were handled. That is cause for concern.

Mayor Knowles – The City used unrestricted reserves to defease 1999 bonds in order to get a lower interest rate on the bonds. The funds have changed accounts, but the City still has the money with a lower interest rate on the bonds which will help rebuild unrestricted reserves over the next several years.

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Commissioner Perry moved to adjourn and Commissioner Puckett seconded the motion. The meeting adjourned at 5:36 p.m.

Mayor

ATTEST:

City Clerk

Betty M. Richardson
Recorder

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